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State of Utah

DEPARTMENT OF NATURAL RESOURCES

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Division of Oil, Gas and Mining

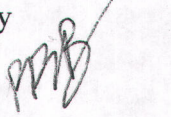
JOHN R. BAZA
Division Director

November 30, 2015

TO: Bond Folder and File

THROUGH: Leslie Heppler

THROUGH: Penny Berry

FROM: Paul Baker 

Subject: Calculation of Increased Reclamation Surety, Geneva Rock Products, Point of the Mountain (South Hansen) Mine, M/035/0026, Salt Lake County, Utah

Cessation order MC-2015-60-03 was originally written to Geneva Rock Products for the Sage Canyon mine (M/049/0071), but it was modified to apply to the Point of the Mountain (South Hansen) mine, M/035/0026. The cessation order was written for disturbing unbonded land, so part of the abatement for the cessation order required submittal of an increased reclamation surety.

The exact acreage disturbed was not known, but it was approximately four acres. Geneva Rock Products submitted surety for ten acres. The amount submitted, \$32,581.00, was based on the current reclamation cost estimate, \$938,346.00, divided by the number of acres of bonded disturbance, 288 acres, multiplied by ten to get the amount for ten acres. $(\$938,346.00/288) \times 10 = \$32,581.50$.

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